

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI  
SOUTHERN DIVISION**

**CLAUDIA SMITH AND  
WILBERT WALKER, on behalf of  
themselves and all others similarly situated**

**PLAINTIFFS**

**VS.**

**CIVIL ACTION NO. 1:98cv212BrR**

**TOWER LOAN OF MISSISSIPPI, INC., ET AL.**

**DEFENDANTS**

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**AFFIDAVIT OF J. LELAND MARTIN, JR.**

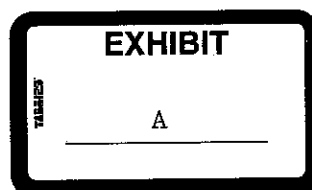
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**United States of America  
State of Mississippi  
County of Rankin**

J. Leland Martin, Jr., being first duly sworn, deposes and says:

1. I am over the age of 21 and otherwise competent to testify. I am the Executive Vice President and Chief Financial Officer for First Tower Corp., the parent corporation of all Defendants in this action. I also serve as the President of two of the Defendants, American Federated Insurance Company and American Federated Life Insurance Company. I make this affidavit of my own personal knowledge.

2. Set forth below is a true and correct listing of costs incurred by the Defendants and paid on behalf of them by First Tower Corp. in conjunction with the Notice of



Settlement and distribution processes involved in the settlement of this action:

A. Disbursements made in conjunction with original notice:

1) Mailings

a)	4/24/2002 – DMCS	\$ 35,190.00	
b)	5/31/2002 – DMCS	<u>15,623.98</u>	\$ 50,813.98

2) Publication costs

a)	4/23/2002 – Enterprise Journal <sup>1</sup>	\$ 941.70	
b)	4/23/2002 – The Meridian Star	1,522.80	
c)	4/24/2002 – Delta Democrat Times	989.00	
d)	4/25/2002 – Northeast Mississippi Daily Journal	1,742.36	
e)	4/25/2002 – The Commercial Dispatch	657.90	
f)	5/13/2002 – Clarion Ledger	3,635.10	
g)	5/22/2002 – Hattiesburg American	1,449.48	
h)	5/22/2002 – Leader Call	362.25	
i)	5/22/2002 – Sun Herald	2,172.95	
j)	10/4/2002 – Vicksburg Post	<u>590.43</u>	<u>\$14,063.97</u>

Total Disbursements for Original Notice<sup>2</sup> \$64,877.95

B. Disbursements made in conjunction with supplemental notice:

1) Mailings

a)	1/22/2003 – DMCS	\$ 5,485.39	
b)	1/22/2003 – DMCS	1,473.87	

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<sup>1</sup> This disbursement and the other April 2002 disbursements listed at b) through e) were actually made by Tower Loan of Mississippi, Inc. Nonetheless, reimbursement at this time should be made to First Tower Corp.

<sup>2</sup> These costs and the publication costs referenced in Section B. 2) below do not include the charges of the Natchez Democrat as the invoices were not retrieved in recent record compilation. The Settlement Administrator identified but waived payment of approximately \$2,850 in fees associated with the original issuance of notice.

c)	5/16/2003 – Reimbursement Shipping – DMCS	(2,551.06)	\$ 4,408.20
2)	Publication of notice		
a)	9/26/2002 – Delta Democrat Times	\$ 1,978.00	
b)	9/26/2002 – Enterprise Journal	1,553.81	
c)	9/26/2002 – The Meridian Star	2,284.20	
d)	9/27/2002 – Northeast Mississippi Daily Journal	3,223.37	
e)	11/18/2002 – Clarion Ledger	3,852.45	
f)	11/18/2002 – Hattiesburg American	722.22	
g)	11/18/2002 – Hattiesburg American	722.22	
h)	11/18/2002 – Leader Call	409.50	
i)	11/18/2002 – Leader Call	409.50	
j)	1/22/2003 – Clarion Ledger	2,908.08	
k)	1/22/2003 – Vicksburg Post	1,183.85	
l)	2/28/2003 – Sun Herald	<u>1,738.36</u>	\$ 20,985.56
3)	Settlement Administrator fees		
	5/20/2003 – Eubank & Betts		\$ 39,946.00
4)	Address search services		
a)	12/18/2002 – Equifax	\$ 3,043.32	
b)	12/18/2002 – Equifax	<u>3,257.73</u>	\$ <u>6,301.05</u>
	Total Disbursements for Supplemental Notice		\$71,640.81
C.	Disbursements made in conjunction with settlement distributions:		
1)	Mailing of cash payments and credit letters		
a)	3/1/2005 – DMCS	\$ 17,854.54	
b)	3/2/2005 – DMCS	10,949.38	
c)	3/16/2005 – DMCS	211.10	
d)	3/16/2005 – DMCS	7,997.45	
e)	3/16/2005 – DMCS	<u>14,166.03</u>	\$51,178.50

2) Supplemental mailings of distributions

a)	3/28/2005 – DMCS	\$ 535.00	
b)	5/19/2005 – DMCS	5,042.88	
c)	6/15/2005 – DMCS	4,402.50	\$ 9,980.38

3) Settlement Administrator fees

a)	3/31/2005 – Eubank & Betts	\$ 42,958.76	
b)	4/7/2005 – Eubank & Betts	18,078.01	
c)	5/31/2005 – Eubank & Betts	9,835.00	
d)	7/29/2005 – Eubank & Betts	25,549.48	
e)	9/15/2005 – Eubank & Betts	4,017.75	
f)	9/28/2005 – Eubank & Betts	<u>2,228.25</u>	\$102,667.25

4) Record search assistance

7/11/2005 – Intellius \$ 1,995.96

Total Disbursements Re Distributions \$ 165,822.09

Total of All Disbursements \$ 302,340.85

3. The Settlement Administrator identified but waived payment of approximately \$2,850 in fees associated with the original issuance of notice.

4. The Settlement Administrator has advised that an additional \$6,100 in fees are estimated for services rendered since August 31, 2005.

5. The administrative costs addressing Notice of Settlement and distributions paid by First Tower Corp. are substantially in excess of the costs anticipated at the time of the Settlement Agreement. Apart from attorneys' fees, the Defendants and First Tower Corp. estimated settlement-related administrative expenditures to be in the range of \$125,000.

  
J. LELAND MARTIN, JR.

SWORN TO AND SUBSCRIBED BEFORE ME, within my jurisdiction, on this  
29th day of November, 2005.

Lynda Cure  
NOTARY PUBLIC

My Commission Expires:

